

CIP EXPENSE DETAIL

DATE OF COUNCIL CONSIDERATION:
CONTACT DEPARTMENT(S):

6/28/12
Austin Water Utility

SUBJECT. Authorize the negotiation and execution of a developer agreement with First Continental Investment Company, Ltd. to reimburse costs associated with the design and construction of an oversized 15-inch gravity wastewater line, an 18-inch gravity wastewater line, and appurtenances related to Service Extension Request No. 3007 to provide wastewater service to the Bellingham Meadows Subdivision development located at 7413 Boyce Lane for a total cost reimbursement not to exceed \$2,130,813.

CURRENT YEAR IMPACT:

Department:	Austin Water Utility
Project Name:	William Wallace Way Lift Stati
Fund/Department/Unit:	4570 2307 8213
Funding Source:	Commercial Paper
Current Appropriation:	2,280,813.00
Unencumbered Balance:	2,280,813.00
Amount of This Action:	(2,130,813.00)
Remaining Balance:	<u>150,000.00</u>
 Total Amount of this Action	 <u><u>2,130,813.00</u></u>

ANALYSIS / ADDITIONAL INFORMATION: First Continental Investment Company, Ltd. has requested that the Austin Water Utility provide wastewater service to The Bellingham Meadows Subdivision. The Property is within the City's Impact Fee Boundary, Utility Service Area, Water Certificate of Convenience and Necessity area, the Desired Development Zone, and the Gilleland Creek Watershed. The 15-inch and 18-inch gravity wastewater lines are proposed to relieve the City's existing William Wallace Way Lift Station and to meet the City's long range planning goals for this area. This lift station relief line project is currently funded via the Capital Improvement Program (CIP) and the Owner is working with the City to expedite the project schedule. The Owner has agreed to complete the engineering and design, and the City has agreed to fund and construct the 15-inch and 18-inch gravity wastewater lines. The proposed agreement will also allow the Owner to complete the project should the City choose not to complete the wastewater line construction via the CIP.

Under the proposed agreement, the City will reimburse the Owner in accordance with provisions of Chapter 25-9 of the City Code for costs the Owner incurs to design and construct the oversized wastewater improvements. The City may reimburse the Owner for an overall total amount not to exceed \$2,130,813. If the Owner completes the engineering, design, and project management of the construction of the gravity wastewater lines, the City will reimburse the Owner's soft costs up to the lesser of 15% of the 18-inch gravity wastewater line hard costs or \$246,028.

If constructed by the Owner, the City's maximum participation is \$1,886,216 for the costs of the 18-inch gravity wastewater line and appurtenances, consisting of up to \$1,640,188 of: (1) Owner's hard costs, and (2) Owner's soft costs, a maximum equal to the lesser of 15% of Owner's hard costs or \$246,028.

If constructed by the Owner, the City's maximum participation is \$244,597 for costs of the 15-inch gravity wastewater line (oversized pipe diameter from a 12-inch to 15-inch) and appurtenances, consisting of: (1) Owner's hard costs, a maximum equal to the lesser of 34.25% of the hard costs of the 15-inch gravity wastewater line and appurtenances or \$212,693, and (2) Owner's soft costs, a maximum equal to the lesser of 15% of the City's hard cost participation or \$31,904.